



# ENERGY ASSURANCE DAILY

Thursday Evening, March 05, 2009

## ***Electricity***

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### **Update: Salt River Project's Proposed 400 MW Springerville Coal-fired Power Plant in Arizona to Commence Operations this Year**

Despite a fire on New Year's Eve that caused an estimated \$10 million to \$12 million in damage, Salt River Project still plans to open the plant later this year.

<http://www.azcentral.com/arizonarepublic/business/articles/2009/03/03/20090303biz-srp0303.html>

### **Update: Interstate Power and Light Cancels Plans for Proposed 649 MW Sutherland Coal-fired Generating Station Unit 4 in Iowa**

Interstate Power and Light (IPL) cites current economic and financial climate, increasing environmental, legislative and regulatory uncertainty regarding greenhouse gas emissions and terms placed on the proposed plant by regulators as reasons for cancelling the project.

[http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=ind\\_focus.story&STORY=/www/story/03-05-2009/0004983470&EDATE=](http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=ind_focus.story&STORY=/www/story/03-05-2009/0004983470&EDATE=)

### **OPG's 155 MW Thunder Bay Coal-fired Unit 2 in Ontario Shut March 5.**

Bloomberg News, 23:48 March 4, 2009

### **Update: Entergy's 1,207 MW Grand Gulf Nuke Unit 1 in Mississippi at Full Power by March 5**

The Nuclear Regulatory Commission reported that on the morning of March 4 the unit was operating at 88 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Update: Ameren's 1,125 MW Callaway Nuke Unit in Missouri at Full Power by March 5**

The unit was shut on February 19 after the power supply failed.

Bloomberg News, 07:11 March 5, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Update: Entergy's 836 MW Arkansas Nuke Unit 1 in Arkansas at Full Power by March 5**

According to a company spokesman, the unit was reduced to balance power flows on the grid according to North American Electricity Reliability Corporation (NERC) regulations. The Nuclear Regulatory Commission reported that on the morning of March 4 the unit was operating at 62 percent.

Reuters, 09:01 March 5, 2009

Bloomberg News, 07:20 March 5, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

## **Petroleum**

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### **Crude Prices Increase 9 Percent after EIA's Report on Crude Inventories**

Benchmark crude for April delivery rose above \$45 per barrel after the Department of Energy's Energy Information Administration's (EIA) report that crude inventories declined 700,000 barrels to 350.6 MMbbls for the week ended February 27.

<http://www.google.com/hostednews/ap/article/ALeqM5i5TtaigUpSm7KY5jf-ICJGHBB-tAD96NE6S00>

### **Canadian Natural Resources Commences Operation of Horizon Oil Sands Project**

The Horizon project's first phase involving the naphtha and gasoline hydrotreater first produced synthetic crude on February 28, and now has a production capacity of 55,000 b/d. A distillate hydrotreater, which is expected to come online in April, will boost total production capacity to 110,000 b/d.

<http://www.platts.com/Oil/News/8397929.xml?p=Oil/News&sub=Oil>

### **ConocoPhillips Delays Expansion at its 60,000 b/d Billings, Montana Refinery**

ConocoPhillips is delaying expansion plans for the refinery for about a year. The expansion was expected to start in January 2009, involving upgrades to the crude and vacuum units to about 75,000 b/d to 79,000 b/d.

Reuters, 17:01 March 4, 2009

### **Valero to Shut 210,000 b/d Delaware City, Delaware Refinery for Repairs**

Valero is shutting the refinery over the next ten days to make repairs to the coking unit. The repairs are estimated to take about 30 days.

<http://www.forbes.com/feeds/ap/2009/03/04/ap6127112.html>

Reuters, 16:55 March 4, 2009

### **Update: RHU to Restart at BP's 475,000 b/d Texas City, Texas Refinery March 4**

The resid hydro-treating unit (RHU) was reduced on March 2 after a malfunction at the sulfur recovery plant.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120891>

### **Update: FCCU Restarts at BP's 475,000 b/d Texas City, Texas Refinery March 4**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120860>

### **Delek to Restart its 60,000 b/d Tyler, Texas Refinery in May**

The refinery was shut after an explosion on November 20, 2008. During the shutdown, Delek worked on a number of projects that will allow the refinery to process cheaper crudes.

Dow Jones News, 11:11 March 5, 2009

### **Total Commences Production at Akpo Oilfield offshore Nigeria**

Production from the field is expected to reach 185,000 b/d by September or October.

Reuters, 11:41 March 5, 2009

## **Natural Gas**

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### **Spectra Energy Proposes Expansion of Transportation North Gas Pipeline in British Columbia**

The Transportation North (T North) project will increase eastbound transportation capacity by 153 MMcf/d from Spectra Energy's McMahon Plant in British Columbia to Alberta. The project will also increase westbound transmission capacity by 112 MMcf/d from McMahon plant to the company's Transmission South system in British Columbia.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=15422](http://www.downstreamtoday.com/news/article.aspx?a_id=15422)

## Other News

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### **Snow Causes Derailment of Pan Am Railroad's Freight Train Cars Carrying Coal in Massachusetts March 4**

<http://www.thebostonchannel.com/cnn-news/18852418/detail.html>

## Energy Prices

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<b>U.S. Oil and Gas Prices</b>			
March 5, 2009			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	43.90	43.24	103.53
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.23	4.20	9.21

Source: Reuters

## Energy Notes

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### **Mascoma Corporation Commences Operation of 200,000 Gallons/Yr Cellulosic Ethanol Demonstration Facility in New York**

<http://www.sustainablebusiness.com/index.cfm/go/news.display/id/17779>

### **Alberta Offers Tax Credits as Drilling Incentives to Boost Gas Production**

NGI's Daily Gas Price Index, March 05, 2009, <http://intelligencepress.com/>

### **Update: FERC Approves Environmental Assessment of Atmos Pipeline's Proposed 25 Bcf/d Fort Necessity, Louisiana Gas Storage Facility**

NGI's Daily Gas Price Index, March 05, 2009, <http://intelligencepress.com/>

### **ExxonMobil to Invest \$25 Billion to \$30 Billion Annually for Next Five Years to Meet Expected Long-term World Energy Demand Growth**

[http://www.rigzone.com/news/article.asp?a\\_id=73660](http://www.rigzone.com/news/article.asp?a_id=73660)

### **ExxonMobil Expects Production Rates of about 4 MMb/d of Crude and Natural Gas in 2004 – Senior Vice President Mark Albers**

Dow Jones News, 10:23 March 5, 2009

### **Combination of Methane from Agricultural Waste and Natural Gas to Power Xcel's St. Vrain, Colorado Gas-fired Plant**

<http://finance.yahoo.com/news/Manure-ag-waste-will-help-apf-14543964.html>

### **Five Indiana Counties Show Promising Underground Operations for Coal-Gasification Electricity Generation Sites – Indiana Center for Coal Technology Research**

<http://www.lafayette-online.com/business/2009/03/indiana-promising-sites-underground-coal-gasification/>

### **Flaring Reported at Tilden Gas Plant in Texas March 4**

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=120914>

## **OPEC Exports (Excluding Angola and Ecuador) to Decrease to Five-Year Low to 22.67 MMb/d to March 21 – Analyst**

Reuters, 11:30 March 5, 2009

## **Update: Shell's Bonny Light Crude Production in Nigeria Restored to about 200,000 b/d after Security Concerns Reduced Output to 90,000 b/d Three Weeks Ago**

Reuters, 11:43 March 5, 2009

### **Links**

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### **ENERGY ASSURANCE DAILY**

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<http://www.oe.netl.doe.gov/ead.aspx>

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